

Comments to Small Mine Operation, NOI, Black Sands 47287, DOGM # S/047/081

- 1) Presently Black Sands Holding Company only holds a 50% operating rights from the surface to a depth of 1000 feet on this lease. Glinton Holding LLC holds the other 50% operating rights. Glinton Holding has filed an assignment of their interest to Nevtah Capital Management Inc. – as shown under part I (6) of the NOI. SITLA will approve the assignment to Nevtah once there is a correction to the Nevtah name as made with the Corp. Commission. Is approval of the NOI required by the other 50% owner??? The Lessee of record for ML 47287 is EOG Resources Inc. EOG did assign 100% of the operating rights which is now held by Black Sands and Clinton. I don't think that Black Sands needs to approve the NOI but they should be notified. This may be a question for the DOGM Oil & Gas group.
- 2) Under Part II (1) the location of the proposed mine site and mine is not identified.
- 3) The NOI suggests that drilling will define the location of the Mine. Maps of drill hole locations and access, method of drilling etc. are not defined in the NOI.
- 4) Maps are deficient in that the detailed location of the mine, top-soil, overburden, access, processing plant etc is not identified. The map included is entirely unacceptable for even identifying the locations of the 5 acre site.
- 5) Apparently Black Sands will be using copious amounts of Pentane or Hexane in their process. Does use of large amounts of this stuff require approval by some other agency – DEQ, Water Quality, or some other Federal Agency that may be concerned with the safety of the stuff.

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- 1) Same ownership comments as above.
- 2) The proposed mine site is located on split estate where the surface is owned by a private owner. Under Utah Code 53C-2-409(3)(a); the lessee must secure the written consent or waiver of the surface owner.. (b) pay for the damages to the surface of the land and improvements to the surface owner where there is agreement as to the amount of the damage or (c) upon execution of a good and sufficient bond for use and benefit of the surface owner to secure payment of damages as may be determined and fixed by agreement or in an action brought upon the bond or undertaking in a court of competent jurisdiction against the principal and sureties of the bond. The bond shall be in a form and amount as prescribed by the director and shall be filed with administration.
- 3) If Black Sands wishes to improve the road south of the proposed project, they will have to have written approval of the land owner or the entity with jurisdiction over the road.
- 4) Same as 4 above
- 5) Same as 5 above

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